

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY



WS-02156A  
Rio Verde Utilities  
25609 Danny Lane, Ste 1  
Rio Verde, AZ 85263

**RECEIVED**

APR 16 2008

AZ CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

**ANNUAL REPORT**

**FOR YEAR ENDING**

12	31	2007
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FOR COMMISSION USE

ANN 04	07
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PROCESSED BY:

4-17-08

SCANNED

## COMPANY INFORMATION

Company Name (Business Name) Rio Verde Utilities, Inc.

Mailing Address 25609 N. Danny Lane, Suite 1  
(Street)

Rio Verde  
(City)

AZ  
(State)

85263  
(Zip)

(480) 471-7247  
Telephone No. (Include Area Code)

(480) 471-7636  
Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address \_\_\_\_\_

Local Office Mailing Address Same  
(Street)

(City)

(State)

(Zip)

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address \_\_\_\_\_

## MANAGEMENT INFORMATION

Management Contact: Jim Thomson  
(Name)

Vice President  
(Title)

25609 N. Danny Lane, Ste 1  
(Street)

Rio Verde  
(City)

AZ  
(State)

85263  
(Zip)

(480) 471-7247  
Telephone No. (Include Area Code)

(480) 471-7636  
Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address jimthomson@theverdes.com

On Site Manager: Michael L. Kleminski  
(Name)

25609 N. Danny Lane, Ste 1  
(Street)

Rio Verde  
(City)

AZ  
(State)

85263  
(Zip)

(480) 471-7247  
Telephone No. (Include Area Code)

(480) 471-7636  
Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address michaelkleminski@theverdes.com

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: Jim Thomson

(Name)

25609 N. Danny Lane, Ste 1 Rio Verde

(Street)

(City)

AZ

(State)

85263

(Zip)

(480) 471-7247

Telephone No. (Include Area Code)

(480) 471-7636

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Attorney: Richard Sallquist

(Name)

4500 S. Lakeshore Dr, Ste. 339 Tempe

(Street)

(City)

AZ

(State)

85285

(Zip)

(602) 224-9222

Telephone No. (Include Area Code)

(480) 730-0741

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address \_\_\_\_\_

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) \_\_\_\_\_

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☒ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME Rio Verde Utilities, Inc. Water Division

**UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	1380		
302	Franchises			
303	Land and Land Rights	176,512		
304	Structures and Improvements	33,133		
307	Wells and Springs	2,305,064		
311	Pumping Equipment	923,779		
320	Water Treatment Equipment	35,641		
330	Distribution Reservoirs and Standpipes	362,475		
331	Transmission and Distribution Mains	2,548,306		
333	Services	421,065		
334	Meters and Meter Installations	159,171		
335	Hydrants	183,259		
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	7,702		
341	Transportation Equipment	51,559		
343	Tools, Shop and Garage Equipment	11,964		
344	Laboratory Equipment	7,917		
345	Power Operated Equipment			
346	Communication Equipment	64,497		
347	Miscellaneous Equipment			
348	Other Tangible Plant	173,557		
	<b>TOTALS</b>	<b>7,467,079</b>	<b>2,654,272</b>	<b>4,812,807</b>

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME Rio Verde Utilities, Inc. Water Division

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	1,380		
302	Franchises			
303	Land and Land Rights	176,512		
304	Structures and Improvements	33,133		
307	Wells and Springs	2,305,064		
311	Pumping Equipment	923,779		
320	Water Treatment Equipment	35,641		
330	Distribution Reservoirs and Standpipes	362,475		
331	Transmission and Distribution Mains	2,548,306		
333	Services	421,065		
334	Meters and Meter Installations	156,545		
335	Hydrants	183,259		
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment	51,559		
343	Tools, Shop and Garage Equipment	11,964		
344	Laboratory Equipment	7,917		
345	Power Operated Equipment			
346	Communication Equipment	64,497		
347	Miscellaneous Equipment			
348	Other Tangible Plant	173,557		
	<b>TOTALS</b>	<b>7,467,079</b>	<b>2.3478</b>	<b>175,314</b>

This amount goes on the Comparative Statement of Income and Expense \_\_\_\_\_  
Acct. No. 403.

COMPANY NAME *Rio Verde Utilities, Inc. Water Division*

**BALANCE SHEET**

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 63,025	\$ 16,606
134	Working Funds		
135	Temporary Cash Investments	1,503,667	312,229
141	Customer Accounts Receivable	83,756	72,740
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies	1,350	1,300
162	Prepayments	82,983	136,941
174	Miscellaneous Current and Accrued Assets	213,881	1,233,127
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 1,948,662	\$ 1,772,943
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 7,412,056	\$ 7,467,079
103	Property Held for Future Use	293,513	293,513
105	Construction Work in Progress	392,576	341,706
108	Accumulated Depreciation – Utility Plant	(2,431,765)	(2,654,272)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	\$ 5,666,380	\$ 5,448,026
	<b>TOTAL ASSETS</b>	\$ 7,615,042	\$ 7,220,969

NOTE: The Assets on this page should be equal to Total Liabilities and Capital on the following page.

COMPANY NAME Rio Verde Utilities, Inc. Water Division

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$ 50,799	\$ 54,537
232	Notes Payable (Current Portion)	77,481	71,271
234	Notes/Accounts Payable to Associated Companies	46,749	17,687
235	Customer Deposits		
236	Accrued Taxes	7,963	7,251
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 182,992	\$ 150,746
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ 1,422,869	\$ 1,345,874
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	152,458	131,839
255	Accumulated Deferred Investment Tax Credits	17,180	14,736
271	Contributions in Aid of Construction	1,540,163	1,540,163
272	Less: Amortization of Contributions	(462,563)	(509,755)
281	Accumulated Deferred Income Tax	251,294	315,391
	<b>TOTAL DEFERRED CREDITS</b>	\$ 1,498,532	\$ 1,492,374
	<b>TOTAL LIABILITIES</b>	\$ 3,104,392	\$ 2,988,994
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 1,412,364	\$ 1,412,364
211	Paid in Capital in Excess of Par Value		(578,265)
215	Retained Earnings	3,098,286	3,397,877
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$ 4,510,650	\$ 4,231,976
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 7,615,042	\$ 7,220,969

COMPANY NAME	Rio Verde Utilities, Inc.	Water Division
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## COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 1,385,012	\$ 1,413,369
460	Unmetered Water Revenue		
474	Other Water Revenues	38,998	14,550
	<b>TOTAL REVENUES</b>	\$ 1,424,010	\$ 1,427,919
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 141,031	\$ 142,246
610	Purchased Water	73,722	58,777
615	Purchased Power	188,415	207,873
618	Chemicals	6,775	13,345
620	Repairs and Maintenance	153,907	218,797
621	Office Supplies and Expense	8,786	10,919
630	Outside Services	78,976	96,034
635	Water Testing	14,362	8,953
641	Rents		
650	Transportation Expenses	11,134	9,840
657	Insurance - General Liability	11,630	11,339
659	Insurance - Health and Life	18,136	18,066
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense	14,729	39,639
403	Depreciation Expense	172,072	175,314
408	Taxes Other Than Income	12,934	17,222
408.11	Property Taxes	30,703	26,449
409	Income Tax	147,814	141,922
	<b>TOTAL OPERATING EXPENSES</b>	\$ 1,085,126	\$ 1,196,735
	<b>OPERATING INCOME/(LOSS)</b>	\$ 338,884	\$ 231,184
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$ 11,548	\$ 11,041
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	(125,847)	(130,293)
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	\$ (114,299)	\$ (92,292)
	<b>NET INCOME/(LOSS)</b>	\$ 224,586	\$ 166,931



COMPANY NAME	Rio Verde Utilities, Inc -	Water Division
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### SUPPLEMENTAL FINANCIAL DATA

#### Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	12/15/2001	12/31/1996		
Source of Loan	Co Bank	Second Arizona Rio Verde Co.		
ACC Decision No.	63585	59392		
Reason for Loan	Plant Expansion	Plant Expansion		
Dollar Amount Issued	\$1,290,389	\$ 600,000	\$	\$
Amount Outstanding	\$ 1,064,567	\$ 408,776	\$	\$
Date of Maturity	12/21/2021	12/31/2016		
Interest Rate	Variable%	9.8 %	%	%
Current Year Interest	\$88,778	\$ 41,515	\$	\$
Current Year Principle	\$ 44,256	\$ 27,015	\$	\$

Meter Deposit Balance at Test Year End                      \$ 368,410

Meter Deposits Refunded During the Test Year                      \$ 26,859

COMPANY NAME	Rio Verde Utilities, Inc.	
Name of System:	07-121	ADEQ Public Water System Number:

## WATER COMPANY PLANT DESCRIPTION

### WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-606073	25	310	145	12	6	62
55-606071	75	750	697	20-16	6	71
55-561190	200	1000	1050	18	12	97
55-506808	10	110	117	16-12	3	84
55-510881	200	950	1075	16	8	86
55-511320	40	380	665	16	6	86
55-519287	200	500	950	16	8 & 6	87
55-561226	400	2000	1160	16	12	97
55-578746	20	510	200	12	6	2000

\* Arizona Department of Water Resources Identification Number

### OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
WATER exchange CAP/SRP	JA	78 825

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
30	2	210	
50	1		
300	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
300,000	1	500	1
740,000	1		

*Note: If you are filing for more than one system, please provide separate sheets for each system.*

COMPANY NAME Rio Verde Utilities, IncName of System: 07-121

ADEQ Public Water System Number:

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)****MAINS**

Size (in inches)	Material	Length (in feet)
2	PVC	1585
3	PVC	6186
4	PVC	57,343
5		
6	PVC	71719
8	PVC	74914
10		
12	PVC	22405
8	DIP	553
12	DIP	3234
16	DIP	1844
8	TRANSITE	29084
10	TRANSITE	700
12	TRANSITE	1700

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X 3/4	
3/4	380
1	1271
1 1/2	9
2	5
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	1
Tubo 6	
8"	2
12"	5

For the following three items, list the utility owned assets in each category for each system.

**TREATMENT EQUIPMENT:**

Hypochlorinators @ Wells 1 & 2

**STRUCTURES:**

LAB/OFFICE

STORAGE TANKS @ Wells 2, 3, 4, 5, 7, 9 Are Fenced

Wells 1, 6, 8 & Booster Pump Are walled

**OTHER:**

150 KW Generator @ 300,000 STORAGE TANK

75 KW Generator @ Well 2

**Note: If you are filing for more than one system, please provide separate sheets for each system.**

COMPANY NAME: <u>Rio Verde Utilities, Inc.</u>	
Name of System: <u>07-121</u>	ADEQ Public Water System Number:

### WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2007

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	1663	28514	28523	0
FEBRUARY	1666	22877	23077	0
MARCH	1666	67479	66033	0
APRIL	1670	68349	71911	0
MAY	1671	94605	92382	0
JUNE	1671	106259	115945	0
JULY	1671	124866	119731	0
AUGUST	1672	104843	109850	0
SEPTEMBER	1673	100779	117249	0
OCTOBER	1673	128684	118458	0
NOVEMBER	1674	70656	75657	0
DECEMBER	1674	24985	28197	0
TOTALS →		554814	569142	0

What is the level of arsenic for each well on your system? PO2 = .0095 mg/l

(If more than one well, please list each separately.)  
 Well 1 = .010      Well 6 = .023  
 Well 2 = .007      Well 9 = .007  
 Well 4 = .007

If system has fire hydrants, what is the fire flow requirement? 1500 GPM for 2 hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?

( ) Yes      (X) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?

(X) Yes      ( ) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

(X) Yes      ( ) No

If yes, provide the GPCPD amount: RESIDENTIAL = 137 NON-RESIDENTIAL = 855

***Note: If you are filing for more than one system, please provide separate data sheets for each system.***

COMPANY NAME Rio Verde Utilities, Inc. YEAR ENDING 12/31/2007

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2007 was: \$ 26,449

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

VERIFICATION  
AND  
SWORN STATEMENT  
Taxes

RECEIVED

APR 16 2008

AZ CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF Arizona  
I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME)
<u>Maricopa</u>
NAME (OWNER OR OFFICIAL) TITLE
<u>Jim Thomson, VP</u>
COMPANY NAME
<u>Rio Verde Utilities, Inc.</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2007</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

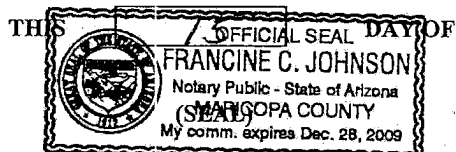
I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

Jim Thomson  
SIGNATURE OF OWNER OR OFFICIAL  
480-471-7247  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF



MY COMMISSION EXPIRES Dec. 28, 2009

COUNTY NAME
<u>Maricopa</u>
MONTH
<u>April</u>
<u>2008</u>

Francine C. Johnson  
SIGNATURE OF NOTARY PUBLIC

COMPANY NAME Rio Verde Utilities, Inc. YEAR ENDING 12/31/2007

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 328,939  
Estimated or Actual Federal Tax Liability 49,295

State Taxable Income Reported 328,939  
Estimated or Actual State Tax Liability 12,454

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances 0  
Amount of Gross-Up Tax Collected 0  
Total Grossed-Up Contributions/Advances 0

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

  
SIGNATURE

4-15-2008  
DATE

Jim Thomson  
PRINTED NAME

VP  
TITLE

**VERIFICATION  
AND  
SWORN STATEMENT**  
Intrastate Revenues Only

**RECEIVED**

APR 16 2008

AZ CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

**VERIFICATION**

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>Maricopa</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Jim Thomson, VP</u>
COMPANY NAME	<u>Red Verde Utilities, Inc.</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2007 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 1,427,919

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 0  
IN SALES TAXES BILLED, OR COLLECTED)

**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS



DAY OF

COUNTY NAME	
<u>Maricopa</u>	
MONTH	<u>April</u>
	<u>2008</u>

MY COMMISSION EXPIRES Dec. 28, 2009

Jim Thomson  
SIGNATURE OF OWNER OR OFFICIAL  
480-471-7247  
TELEPHONE NUMBER

Francine C. Johnson  
SIGNATURE OF NOTARY PUBLIC



**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
Intrastate Revenues Only**

**RECEIVED**

APR 16 2008

AZ CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

**VERIFICATION**

**STATE OF ARIZONA**

**I, THE UNDERSIGNED**

**OF THE**

COUNTY OF (COUNTY NAME) <u>Maricopa</u>	
NAME (OWNER OR OFFICIAL) <u>Jim Thomson</u>	TITLE <u>VP</u>
COMPANY NAME <u>Rio Verde Utilities, Inc.</u>	

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2007

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**SWORN STATEMENT**

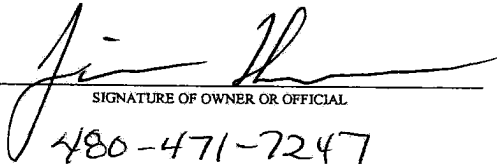
IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2007 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 530,633

THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 0  
IN SALES TAXES BILLED, OR COLLECTED)

**\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.**

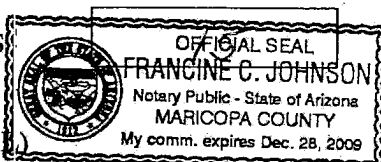
  
\_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL  
480-471-7247  
\_\_\_\_\_  
TELEPHONE NUMBER

**SUBSCRIBED AND SWORN TO BEFORE ME**

**A NOTARY PUBLIC IN AND FOR THE COUNTY OF**

**THIS** \_\_\_\_\_ **DAY OF**

**(SEAL)**



**MY COMMISSION EXPIRES** Dec. 28, 2009

NOTARY PUBLIC NAME <u>FRANCINE C. JOHNSON</u>	
COUNTY NAME <u>Maricopa</u>	
MONTH <u>April</u>	YEAR <u>2008</u>

  
\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC

# PARCEL/ACCOUNT # 622-80-000 4

Verify the property description on the back of this statement to make certain you are paying on the correct parcel. The Treasurer's Office is not responsible for payments to incorrect parcels.



## MARICOPA COUNTY TREASURER

DAVID SCHWEIKERT  
301 W JEFFERSON ST - Room 100  
PHOENIX, AZ 85003-2199

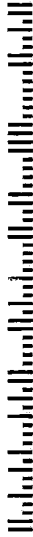
Sign up for

## Parcel Watch

and receive tax bill  
notifications via email

[www.treasurer.maricopa.gov](http://www.treasurer.maricopa.gov)

(602) 506-8511



645 660 \*\*\*\*\*AUTO\*\*SCH 5-DIGIT 85262  
RIO VERDE UTILITIES INC (WATER)  
25609 N DANNY LN STE 1  
RIO VERDE, AZ 85263-8131

So we can provide you with more of the information you want regarding your property taxes...

**Tax information**  
is now on the  
**other side**

**PAID**

### Your 2007 Property Tax Summary for Parcel # 622-80-000 4

(232957=PRTCNTL)				
Limited Value (Primary)	2006	Ratio	Assessed	2007
	2,517,500	.245	616,788	2,427,000
Full Cash Value (Secondary)	2,517,500	.245	616,788	2,427,000
Total 2007 Taxes Assessed				\$22,900.20

### Definitions

Primary Limited Value..... Legislatively established value based on a mathematical formula that limits the valuation increase in any given year.  
 PRI..... Taxes on Limited Value for the maintenance and operation of State, County, Cities, School Districts and Community College Districts.  
 Full Cash Value ..... Assessor's estimate of true market value.  
 SEC..... Taxes on Full Cash Value, but used to fund bonds, overrides, and certain special districts.  
 Special Districts ..... Limited purpose taxing districts such as Flood Control, Fire, Irrigation, etc.

### Payments

First half tax is due 10/1/07. Interest penalty after 5pm on 11/1/07.  
 Second half tax is due 3/1/08. Interest penalty after 5pm on 5/1/08.  
 For tax amounts more than \$100, if the entire amount is paid in full by 12/31/07, no interest is charged.  
 Full year taxes of \$100 or less must be paid in full by 11/1/07.  
 Interest on late payments is 16% per year (ARS § 42-18053).

# PARCEL/ACCOUNT # 622-80-003 6

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## MARICOPA COUNTY TREASURER

DAVID SCHWEIKERT  
301 W JEFFERSON ST - Room 100  
PHOENIX, AZ 85003-2199

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[www.treasurer.maricopa.gov](http://www.treasurer.maricopa.gov)

(602) 506-8511

845 680 \*\*\*\*\*AUTO\*\*SCH 5-DIGIT 85282  
R10 VERDE UTILITIES INC (WATER)  
25809 N DANNY LN STE 1  
R10 VERDE, AZ 85263-8131

## MARICOPA COUNTY 2007 PROPERTY TAX STATEMENT

So we can provide you with more of the information you want regarding your property taxes....

**Tax information  
is now on the  
other side**



**PAID**

### Your 2007 Property Tax Summary for Parcel # 622-80-003 6

	2006	Ratio	Assessed	2007	Ratio	Assessed	Rate/100	2007 Tax
Limited Value (Primary)	43,500	.245	10,658	220,000	.240	52,800	03.5312	1,864.48
Full Cash Value (Secondary)	43,500	.245	10,658	220,000	.240	52,800	02.7370	1,445.12
<b>Total 2007 Taxes Assessed</b>								<b>\$13,309.60</b>

(232953=PRTCNTL)

### Definitions

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### Payments

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Full year taxes of \$100 or less must be paid in full by 11/1/07.  
Interest on late payments is 16% per year (ARS § 42-18053).

# PARCEL/ACCOUNT # 219-43-859B 6

Verify the property description on the back of this statement to make certain you are paying on the correct parcel. The Treasurer's Office is not responsible for payments to incorrect parcels.

(602) 506-8511



**MARICOPA COUNTY  
TREASURER**

DAVID SCHWEIKERT  
301 W JEFFERSON ST - Room 100  
PHOENIX, AZ 85003-2199

Sign up for

**Parcel Watch**

and receive tax bill  
notifications via email

[www.treasurer.maricopa.gov](http://www.treasurer.maricopa.gov)



647 862 \*\*\*\*\*AUTO\*\*SCH 5-DIGIT 85262  
RIO VERDE SERVICES INC  
25609 N DANNY LN  
RIO VERDE, AZ 85263-8131

So we can provide you with more of the information you want regarding your property taxes...

**Tax information  
is now on the  
other side**

**PAPER**

## Your 2007 Property Tax Summary for Parcel # 219-43-859B 6

(233619=PRTCNTL)				
Limited Value (Primary)	2006	Ratio	Assessed	2007
	6,500	.160	1,040	14,000
Full Cash Value (Secondary)	24,500	.160	3,920	36,500
				Ratio
				2007 Tax
				2,240
				03.5312
				79.10
				5,840
				02.7370
				159.84
Total 2007 Taxes Assessed				\$238.94

### Definitions

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 For tax amounts more than \$100, if the entire amount is paid in full by 12/31/07, no interest is charged.  
 Full year taxes of \$100 or less must be paid in full by 11/1/07.  
 Interest on late payments is 16% per year (ARS § 42-18053).

Secondary Total	2,427,000	.240	582,480
SPECIAL DISTRICT (VALUATION GROSS FT) - ASSESSED			DIST #

Bulk payments may be your answer. Visit [www.treasurer.maricopa.gov](http://www.treasurer.maricopa.gov) to learn more about making payments on-line.

**Learn how your tax dollars are spent!**  
More detailed information is available at [www.treasurer.maricopa.gov](http://www.treasurer.maricopa.gov). View your tax bill online, and find information about how your property taxes are allocated.

**View a map of delinquent parcels**  
Check your property on our new map! The map highlights properties that are behind in their taxes. It will also help you check to see if there are any "orphan" parcels associated with your real estate. Visit [www.treasurer.maricopa.gov](http://www.treasurer.maricopa.gov).

	Rate/100	2006 Amount	2007 Amount	Change
COUNTY EDUC. (ARS 15-991.01)	PRI 1.6020	10,728.42	9,331.32	-13.0% ↓
COMMUNITY COLLEGE DIST	PRI .8246	5,436.98	4,803.13	-11.6% ↓
COMMUNITY COLLEGE DIST BONDS	SEC .1514	1,129.32	881.88	-21.9% ↓
EDUCATION EQUALIZATION	PRI .0000	0.00	0.00	0.0% ↓
<b>TOTAL FOR SCHOOLS / EDUCATION</b>		<b>17,294.72</b>	<b>15,016.33</b>	
NONE				
<b>TOTAL FOR CITY TAXES</b>				
GENERAL COUNTY FUND	PRI 1.1046	7,274.40	6,434.07	-11.5% ↓
<b>TOTAL FOR GENERAL COUNTY</b>		<b>7,274.40</b>	<b>6,434.07</b>	
FLOOD CONTROL OF MARICOPA CTY	SEC .1533	26.48	64.10	+142.0% ↑
CENTRAL AZ WATER CONSV DIST	SEC .1000	740.14	582.48	-21.3% ↓
FIRE DISTRICT ASSISTANCE TAX	SEC .0053	41.94	30.88	-26.3% ↓
COUNTY LIBRARY	SEC .0391	312.72	227.74	-27.1% ↓
COUNTY HEALTH CARE DISTRICT	SEC .0935	730.28	544.60	-25.4% ↓
<b>TOTAL FOR SPECIAL DISTRICTS</b>		<b>1,851.56</b>	<b>1,449.80</b>	
STATE AID				
<b>Grand Total</b>		<b>26,420.68</b>	<b>22,900.20</b>	<b>-13.3% ↓</b>

Secondary Total	220,000	.240	52,800
SPECIAL DISTRICT (VALUATION/ACRES/60 FT) = ASSESSED			DIST #
RIO VERDE FIRE DISTRICT		52800	11578

Link payments may be your answer. Visit [www.treasurer.maricopa.gov](http://www.treasurer.maricopa.gov) to learn more about making payments on-line.

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	Rate/100	2006 Amount	2007 Amount	Change
COUNTY EDUC. (ARS 15-991.01)	PRI	1.6020	185.38	+356.2% ↑
COMMUNITY COLLEGE DIST	PRI	.8246	93.96	+363.3% ↑
COMMUNITY COLLEGE DIST BONDS	SEC	.1514	19.52	+309.5% ↑
EDUCATION EQUALIZATION	PRI	.0000	0.00	0.0% ↑
<b>TOTAL FOR SCHOOLS / EDUCATION</b>		<b>298.86</b>	<b>1,361.19</b>	
NONE				
<b>TOTAL FOR CITY TAXES</b>				
GENERAL COUNTY FUND	PRI	1.1046	125.70	+363.9% ↑
<b>TOTAL FOR GENERAL COUNTY</b>		<b>125.70</b>	<b>583.23</b>	
FLOOD CONTROL OF MARICOPA CITY	SEC	.1533	21.82	+270.9% ↑
CENTRAL AZ WATER CONSERVATION DIST	SEC	.1000	12.78	+313.1% ↑
FIRE DISTRICT ASSISTANCE TAX	SEC	.0053	0.72	+288.8% ↑
COUNTY LIBRARY	SEC	.0391	5.40	+282.2% ↑
COUNTY HEALTH CARE DISTRICT	SEC	.0935	12.62	+291.1% ↑
RIO VERDE FIRE DISTRICT	SEC	2.1944	259.86	+345.8% ↑
<b>TOTAL FOR SPECIAL DISTRICTS</b>		<b>313.20</b>	<b>1,365.18</b>	
STATE AID				
<b>Grand Total</b>		<b>737.76</b>	<b>3,309.60</b>	<b>+348.6% ↑</b>

<b>Secondary Total</b>	<b>36,500</b>	<b>.160</b>	<b>5,840</b>
<b>SPECIAL DISTRICT (VALUE/ACRES/SQ FT) = ASSESSED</b>			<b>DIST #</b>
<b>RIO VERDE FIRE DISTRICT</b>		<b>5840</b>	<b>11578</b>

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	Rate/100	2006 Amount	2007 Amount	Change
COUNTY EDUC. (ARS 15-991.01)	PRI 1.6020	18.08	35.88	+98.4% ↑
COMMUNITY COLLEGE DIST	PRI .8246	9.17	18.48	+121.5% ↑
COMMUNITY COLLEGE DIST BONDS	SEC .1514	7.18	8.84	+23.1% ↑
EDUCATION EQUALIZATION	PRI .0000	0.00	0.00	0.0% ↑
<b>TOTAL FOR SCHOOLS / EDUCATION</b>		<b>34.43</b>	<b>63.20</b>	
NONE				
<b>TOTAL FOR CITY TAXES</b>				
GENERAL COUNTY FUND	PRI 1.1046	12.27	24.74	+101.6% ↑
<b>TOTAL FOR GENERAL COUNTY</b>		<b>12.27</b>	<b>24.74</b>	
FLOOD CONTROL OF MARICOPA CTY	SEC .1533	8.02	8.96	+11.7% ↑
CENTRAL AZ WATER CONSV DIST	SEC .1000	4.70	5.84	+24.2% ↑
FIRE DISTRICT ASSISTANCE TAX	SEC .0053	0.26	0.30	+15.3% ↑
COUNTY LIBRARY	SEC .0391	1.98	2.28	+15.1% ↑
COUNTY HEALTH CARE DISTRICT	SEC .0935	4.64	5.46	+17.6% ↑
RIO VERDE FIRE DISTRICT	SEC 2.1944	95.58	128.16	+34.0% ↑
<b>TOTAL FOR SPECIAL DISTRICTS</b>		<b>115.18</b>	<b>151.00</b>	
STATE AID				
<b>Grand Total</b>		<b>161.88</b>	<b>238.94</b>	<b>+47.6% ↑</b>